

Indiana Department of Environmental Management

We make Indiana a cleaner, healthier place to live.

Frank O'Bannon
Governor

Lori F. Kaplan July 30, 2003
Commissioner

100 North Senate Avenue P. O. Box 6015 Indianapolis, Indiana 46206-6015 (317) 232-8603 (800) 451-6027 www.IN.gov/idem

TO: Interested Parties / Applicant

RE: Pernod Ricard USA, Seagram Lawrenceburg Distillery MPM 029-17382-00005

FROM: Paul Dubenetzky

Chief, Permits Branch Office of Air Quality

Notice of Decision: Approval - Effective Immediately

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 13-17-3-4 and 326 IAC 2, this permit modification is effective immediately, unless a petition for stay of effectiveness is filed and granted, and may be revoked or modified in accordance with the provisions of IC 13-15-7-1.

If you wish to challenge this decision, IC 4-21.5-3-7 require that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, ISTA Building, 150 W. Market Street, Suite 618, Indianapolis, IN 46204, within (18) eighteen days of the mailing of this notice. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

- (1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
- the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
- the date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:

- (1) the name and address of the person making the request;
- (2) the interest of the person making the request;
- (3) identification of any persons represented by the person making the request;
- (4) the reasons, with particularity, for the request;
- (5) the issues, with particularity, proposed for consideration at any hearing; and
- identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

(over)

FNTVPMOD.wpd 7/24/03

Pursuant to 326 IAC 2-7-18(d), any person may petition the U.S. EPA to object to the issuance of a Title V operating permit or modification within sixty (60) days of the end of the forty-five (45) day EPA review period. Such an objection must be based only on issues that were raised with reasonable specificity during the public comment period, unless the petitioner demonstrates that it was impractible to raise such issues, or if the grounds for such objection arose after the comment period.

To petition the U.S. EPA to object to the issuance of a Title V operating permit, contact:

U.S. Environmental Protection Agency 401 M Street Washington, D.C. 20406

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178.

Enclosure FNTVPMOD..wpd 8/21/02

August 7, 2003

Mr. Werner Gondosch Pernod Ricard USA, Seagram Lawrenceburg Distillery P.O. Box 7 7 Ridge Avenue Lawrenceburg, Indiana 47025

Re: 029-17382

First Minor Permit Modification to Part 70 No.: T029- 6929-00005

Dear Mr. Gondosch:

Pernod Ricard USA, Seagram Lawrenceburg, Distillery, located at 7 Ridge Avenue. Lawrenburg, Indiana 47025 was issued a Part 70 permit on June 28, 2002 for a stationary distillate spirits production source. A letter requesting changes to this permit was received on June 10, 2003. Pursuant to the provisions of 326 IAC 2-7-12 a minor permit modification to this permit is hereby approved as described in the attached Technical Support Document.

The modification consists of incorporating the following modification permitted under Minor Source Modification 029-17711:

- (a) Expansion of the whiskey bottling lines production capability, which includes;
 - (1) Installation of one (1) 16,000 gallon and three (3) 8,000 gallon tanks. These new tanks will allow the capacities of Bottling Tanks, EU-51 and Bottling Lines, EU-52 to increase from 16,000,000 proof gallons (PG) to 18,500,000 proof gallons (PG).

All other conditions of the permit shall remain unchanged and in effect. Please attach a copy of this modification and the following revised permit pages to the front of the original permit.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter, please contact Aida De Guzman OAQ, 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana, 46206-6015, or call at (800) 451-6027, press 0 and ask for Aida De Guzman or extension (3-4972), or dial (317) 233-4972.

Sincerely,

Original signed by Paul Dubenetzky Paul Dubenetzky, Chief Permits Branch Office of Air Quality

Attachments APD

cc: File - Dearborn County U.S. EPA, Region V

Dearborn County Health Department
Air Compliance Section Inspector - Patrick Burton
Compliance Deta Section | Koron Newalk

Compliance Data Section - Karen Nowak

Administrative and Development

Technical Support and Modeling - Michele Boner

PART 70 OPERATING PERMIT OFFICE OF AIR QUALITY

Pernod Ricard USA, Seagram Lawrenceburg Distillery 7 Ridge Avenue Lawrenceburg, Indiana 47025

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the source described in Section A (Source Summary) of this permit.

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Operation Permit No.: 029-6929-00005	
Issued by: Paul Dubenetzky, Chief Permit Branch Office of Air Quality	Issuance Date: June 28, 2002

1st Administrative Amendment No.: 029-15990, issued on August 30, 2002 2nd Administrative Amendment No.: 029-17843, issued on July 15, 2003

1st Minor Permit Modification No.: 029-17382	Pages Affected: 8, 9, 36
Issued by:Original signed by Paul Dubenetzky Paul Dubenetzky, Chief Permit Branch Office of Air Quality	Issuance Date: August 7, 2003

- (2) Three (3) rotary dryers, exhausted to S-307 through S-309, each controlled by a wet scrubber, capacity: 14,500 pounds per hour, each; and
- (3) One (1) cooler and one (1) transport system, controlled by a cyclone, exhausted to S-310, capacity: 6.5 tons per hour.
- (o) EU-33 installed prior to 1950, consists of the following:
 - (1) Three (3) conveyors, exhausted to S-302-S-304, capacity: 38,000 pounds per hour, each.
- (p) One (1) DDG (Distillers Dried Grain) loadout system, installed in 1997 consists of the following:
 - (1) Two (2) storage silos, capacity: 13,100 cubic feet, each and two (2) surge hoppers, capacity: 7.0 tons per hour, each, known as, EU-34, equipped with two (2) dust collectors exhausted to S-341 S-344.
 - (2) One (1) air transport system and scale to the rail car loading area, known as EU-35, controlled by a dust collector, exhausted to S-350, capacity: 7.0 tons per hour.
 - One (1) air transport system and scale to the truck loading area, known as EU-36, controlled by a dust collector, exhausted to S-360, capacity: 7.0 tons per hour.
 - (4) One (1) rail car loader, known as EU-37, exhausted to S-370, capacity: 7.0 tons per hour.
 - (5) One (1) truck loader, known as EU-38, exhausted to S-380, capacity: 7.0 tons per hour.
 - (6) One (1) old DDG loader, known as EU-39, exhausted to S-111, capacity: 7.0 tons per hour.
- (q) One (1) wine room, known as EU-41, consisting of thirty-five (35) tanks, installed prior to 1950, exhausted to S-410, capacity: 467,517 gallons of ethanol, total.
- (r) One (1) tank farm, known as EU-42, consisting of nine (9) tanks, installed prior to 1950, exhausted to S-420, capacity: 750,000 gallons of ethanol, each.
- (s) One (1) Bldg 88, known as EU-43, consisting of twenty-seven (27) tanks and, installed in 1989, exhausted to S-430, capacity: 489,250 gallons of ethanol, total and one (1) rum handling, installed in 1997, exhausted to the atmosphere, capacity: 3,501,429 gallons of rum.
- (t) One (1) regauge tank area, known as EU-44, consisting of forty-seven (47) tanks, installed in 1960, exhausted to S-440, capacity: 445,858 gallons of ethanol, total.
- (u) One (1) mini tank farm, known as EU-45, to consist of nine (9) tanks, seven tanks installed in 1989, exhausted to S-435, capacity: 779,800 gallons of ethanol, total, two (2) gin storage tanks, installed in 1997, capacity: 113,800 gallons of gin, each.
- (v) One (1) bottling tank room, known as EU-51, consisting of forty-five (45) tanks; forty-one

- (41) tanks, installed in 1969, four (4) tanks installed in 2003, exhausted to S-510, capacity: 452,000 gallons of ethanol, total. The installation of these tanks will allow the capacity of bottling tank room to increase from 16,000,000 proof gallons (PG) to 18,500,000 proof gallons (PG).
- (w) Seven (7) bottling lines, known as EU-52, installed prior to 1950, and one (1) 50-ml bottling line exhausted to S-520, capacity: 452,000 gallons of ethanol, total. The installation of new tanks in the bottling tank room, known as EU-51 will allow the capacities of these bottling lines EU-52 to increase from 16,000,000 proof gallons (PG).
- (x) One (1) cooler operation, known as EU-53, installed prior to 1988, exhausted to S-530, capacity: 2,187 cases per hour.
- (y) One (1) Warehouse C, known as EU-71, installed prior to 1950, exhausted to S-701, capacity: 69,306 barrels.
- (z) One (1) Warehouse E, known as EU-72, installed prior to 1950, exhausted to S-702, capacity: 101,032 barrels.
- (aa) One (1) Warehouse G, known as EU-73, installed prior to 1950, exhausted to S-703, capacity: 84,097 barrels.
- (bb) One (1) Warehouse J & M, known as EU-74, installed prior to 1950, exhausted to S-704, capacity: 100,000 barrels.
- (cc) One (1) Warehouse L, known as EU-75, installed prior to 1950, exhausted to S-705, capacity: 93,438 barrels.
- (dd) One (1) Warehouse N, known as EU-76, installed prior to 1950, exhausted to S-706, capacity: 93,405 barrels.
- (ee) One (1) steam boiler, known as EU-96, using coal, CBAF, natural gas, fuel oil #6, and/or wood, installed in 1977, exhausted to S-906, equipped with an electrostatic precipitator for particulate matter control, rated at 244 million British thermal units per hour.
- (ff) One (1) natural gas fired steam boiler, known as EU-97 using fuel oil #2 as back-up, installed in 1992, exhausted to S- 907, rated at 47.6 million British thermal units per hour using natural gas and 45.6 million British thermal units using fuel oil #2.
- A.3 Specifically Regulated Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

This stationary source also includes the following insignificant activities which are specifically regulated, as defined in 326 IAC 2-7-1(21):

Grinding and machining operations controlled with fabric filters, scrubbers, mist collectors, wet collectors and electrostatic precipitators with a design grain loading of less than or equal to 0.03 grains per actual cubic foot and a gas flow rate less than or equal to 4,000 actual cubic feet per minute, including the following: deburring; buffing; polishing; abrasive blasting; pneumatic conveying; and woodworking operations. [326 IAC 6-1]

A.4 Part 70 Permit Applicability [326 IAC 2-7-2]

This stationary source is required to have a Part 70 permit by 326 IAC 2-7-2 (Applicability) because:

- (a) It is a major source, as defined in 326 IAC 2-7-1(22);
- (b) It is a source in a source category designated by the United States Environmental Protection Agency (U.S. EPA) under 40 CFR 70.3 (Part 70 Applicability).

SECTION D.2 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5915)]

- (q) One (1) wine room, known as EU-41, consisting of thirty-five (35) tanks, installed prior to 1950, exhausted to S-410, capacity: 467,517 gallons of ethanol, total.
- (r) One (1) tank farm, known as EU-42, consisting of nine (9) tanks, installed prior to 1950, exhausted to S-420, capacity: 750,000 gallons of ethanol, each.
- (s) One (1) Bldg 88, known as EU-43, consisting of twenty-seven (27) tanks and, installed in 1989, exhausted to S-430, capacity: 489,250 gallons of ethanol, total and one (1) rum handling, installed in 1997, exhausted to the atmosphere, capacity: 3,501,429 gallons of rum.
- (t) One (1) regauge tank area, known as EU-44, consisting of forty-seven (47) tanks, installed in 1960, exhausted to S-440, capacity: 445,858 gallons of ethanol, total.
- (u) One (1) mini tank farm, known as EU-45, to consist of nine (9) tanks, seven tanks installed in 1989, exhausted to S-435, capacity: 779,800 gallons of ethanol, total, two (2) gin storage tanks, installed in 1997, capacity: 113,800 gallons of gin, each.
- (v) One (1) bottling tank room, known as EU-51, consisting of forty-five (45) tanks; forty-one (41) tanks, installed in 1969, four (4) tanks installed in 2003, exhausted to S-510, capacity: 452,000 gallons of ethanol, total. The installation of these tanks will allow the capacity of bottling tank room to increase from 16,000,000 proof gallons (PG).
- (w) Seven (7) bottling lines, known as EU-52, installed prior to 1950, and one (1) 50-ml bottling line exhausted to S-520, capacity: 452,000 gallons of ethanol, total. The installation of new tanks in the bottling tank room, known as EU-51 will allow the capacities of these bottling lines EU-52 to increase from 16,000,000 proof gallons (PG) to 18,500,000 proof gallons (PG).
- (x) One (1) cooler operation, known as EU-53, installed prior to 1988, exhausted to S-530, capacity: 2,187 cases per hour.
- (y) One (1) Warehouse C, known as EU-71, installed prior to 1950, exhausted to S-701, capacity: 69,306 barrels.
- (z) One (1) Warehouse E, known as EU-72, installed prior to 1950, exhausted to S-702, capacity: 101,032 barrels.
- (aa) One (1) Warehouse G, known as EU-73, installed prior to 1950, exhausted to S-703, capacity: 84,097 barrels.
- (bb) One (1) Warehouse J & M, known as EU-74, installed prior to 1950, exhausted to S-704, capacity: 100,000 barrels.
- (cc) One (1) Warehouse L, known as EU-75, installed prior to 1950, exhausted to S-705, capacity: 93,438 barrels.
- (dd) One (1) Warehouse N, known as EU-76, installed prior to 1950, exhausted to S-706, capacity: 93,405 barrels.

(The information describing the process contained in this facility descriptive box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-7-5(1)]

Indiana Department of Environmental Management Office of Air Quality

Technical Support Document (TSD) for a Minor Source Modification and a Minor Permit Modification to a Part 70 Source

Source Background and Description

Source Name: Pernod Ricard USA, Seagram Lawrenceburg Distillery

Source Location: 7 Ridge Avenue, Lawrenceburg, Indiana 47025

County: Dearborn SIC Code: 2085

Operation Permit No.: 029-6929-00005 Issuance Date: June 28, 2002

Minor Source Modification No.: 029-17711
Minor Permit Modification No.: 029-17382
Permit Reviewer: Aida De Guzman

The Office of Air Quality (OAQ) has reviewed a Part 70 permit application from Pernod Ricard USA, Seagram Lawrenceburg Distillery relating to the expansion of the whiskey bottling lines production capability, which includes;

(a) Installation of one (1) 16,000 gallon and three (3) 8,000 gallon tanks. These new tanks will allow the capacities of Bottling Tank Room, EU-51 and Bottling Lines, EU-52 to increase from 16,000,000 proof gallons (PG) to 18,500,000 proof gallons (PG).

Recommendation

The staff recommends to the Commissioner that the Part 70 permit be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on May 12, 2003 and June 10, 2003 for the Minor Permit Modification. Additional information was received on June 4, 2003.

Emission Calculations

See Page 1 of 1 TSD Appendix A for detailed emission calculations.

Potential To Emit

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U. S. EPA."

This table reflects the PTE before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

Pollutant	Potential To Emit (tons/year)
PM	0.0
PM-10	0.0
SO ₂	0.0
VOC	11.44
СО	0.0
NO _x	0.0

Note: For the purpose of determining Title V applicability for particulates, PM-10, not PM, is the regulated pollutant in consideration.

Justification for Modification

(a) The Part 70 source is being modified through a Part 70 Minor Source Modification, pursuant to 326 IAC 2-7-10.5(d)(4)(B) since the volatile organic compounds (VOC) are greater than 10 tons per year but less than 25 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7.

Actual Emissions

The following table shows the actual emissions from the source. This information reflects the OAQ emission data for the year 2001.

Pollutant	Actual Emissions (tons/year)
PM	39.0
PM-10	39.0
SO ₂	687.0
VOC	391.0
CO	17.0
NO _x	541.0
Lead	0.01

Source Status

Existing Source PSD or Part 70 Definition (taken from Part 70 permit T029-6929-00005, issued on June 28, 2002 - emissions after control).

Pollutant	Actual Emissions (tons/year)
PM	258.0
PM-10	56.0
SO ₂	1669.0
VOC	2533
CO	551
NO _x	971
HAPs	23.5

(a) The existing source is a major stationary source because at least one attainment regulated pollutant is emitted at a rate of 250 tons per year or more, and it is not one of the 28 listed source categories.

Potential to Emit After Issuance

The table below summarizes the potential to emit, reflecting all limits, of the significant emission units after controls. The control equipment is considered federally enforceable only after issuance of this Part 70 operating permit.

	Potential to Emit (tons/year)						
Process/facility	PM	PM-10	SO ₂	VOC	CO	NO _x	HAPs
EU-51 (Bottling Room)	0.0	0.0	0.0	6.85	0.0	0.0	0.0
EU-52 (Bottling Line)	0.0	0.0	0.0	4.59	0.0	0.0	0.0
Emissions Due to Modification	0.0	0.0	0.0	11.44	0.0	0.0	0.0
PSD Threshold Levels	25	15	40	40	100	40	-
Existing Source PTE	258.0	56.0	1669.0	2533	551	971	23.5

Existing Source PTE	258.0	56.0	1669.0	2533	551	971	23.5
Source PTE After Issuance of the Modification	258.0	56.0	1669.0	2544.4	551	971	23.5

County Attainment Status

The source is located in Dearborn County.

Pollutant	Status
PM-10	attainment
SO ₂	attainment
NO_2	attainment
Ozone	attainment
СО	attainment
Lead	not determined

- (a) Volatile organic compounds (VOC) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Dearborn County has been designated as attainment or unclassifiable for ozone. Therefore, VOC emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (b) Dearborn County has been classified as attainment or unclassifiable for all the other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

Pernod Ricard USA, Seagram Lawrenceburg Distillery Lawrenceburg, Indiana Permit Reviewer: Aida De Guzman Page 4 of 6 1st Minor Source Modification No.: 029-17711-00005 1st Minor Permit Modification 029-17382-00005

Federal Rule Applicability

- (a) New Source Performance Standards (NSPS) (326 IAC 12 and 40 CFR Part 60)
 - (1) 40 CFR Part 60, Subpart Kb Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for which Construction, Reconstruction, or Modification commenced After July 23, 1984.

The proposed one (1) 16,000 gallon and three (3) 8,000 gallon tanks are not subject to this NSPS, as these tanks will be used to store beverage alcohol, which made them exempted from this NSPS.

- (b) National Emission Standards for Hazardous Air Pollutants (NESHAPs)(326 IAC 14 and 40 CFR Part 63)
 - (1) There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs) applicable.

State Rule Applicability -

- (a) 326 IAC 2-2 (Prevention of Significant Deterioration)
 The proposed one (1) 16,000 gallon and three (3) 8,000 gallon process tanks are not subject to 326 IAC 2-2, since their VOC potential to emit is less than 40 tons per year.
- (b) 326 IAC 8-1-6 (General Reduction Requirements)
 The modification of the existing bottling room known as EU-51 which involves the installation of one (1) 16,000 gallon and three (3) 8,000 gallon tanks is not subject to 326 IAC 8-1-6 since the existing bottling room was constructed in 1969.
- (c) There are no other rules applicable to the proposed one (1) 16,000 gallon and three (3) 8,000 gallon process tanks

Changes to the Part 70 Permit

- (1) Section A.2 items (v) and (w) of the Part 70 permit will be modified to incorporate the proposed one (1) 16,000 gallon and three (3) 8,000 gallon process tanks as follows:
 - (v) One (1) bottling tank room, known as EU-51, consisting of **forty-five (45) tanks**, forty-one (41) tanks, installed in 1969, four (4) tanks installed in 2003, exhausted to S-510, capacity: 412,000 452,000 gallons of ethanol, total. The installation of these tanks will allow the capacity of bottling tank room to increase from 16,000,000 proof gallons (PG) to 18,500,000 proof gallons (PG).
 - (w) Seven (7) bottling lines, known as EU-52, installed prior to 1950, and one (1) 50-ml bottling line exhausted to S-520, capacity: 7,264 cases per hour 452,000 gallons of ethanol, total. The installation of new tanks in the bottling tank room, known as EU-51 will allow the capacities of these bottling lines EU-52 to increase from 16,000,000 proof gallons (PG) to 18,500,000 proof gallons (PG).
- (2) Section D.2 Facility Description Table will be modified to incorporate the changes as follows:

Page 5 of 6 1st Minor Source Modification No.: 029-17711-00005 1st Minor Permit Modification 029-17382-00005

SECTION D.2

FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]:

- (q) One (1) wine room, known as EU-41, consisting of thirty-five (35) tanks, installed prior to 1950, exhausted to S-410, capacity: 467,517 gallons of ethanol, total.
- (r) One (1) tank farm, known as EU-42, consisting of nine (9) tanks, installed prior to 1950, exhausted to S-420, capacity: 750,000 gallons of ethanol, each.
- (s) One (1) Bldg 88, known as EU-43, consisting of twenty-seven (27) tanks and, installed in 1989, exhausted to S-430, capacity: 489,250 gallons of ethanol, total and one (1) rum handling, installed in 1997, exhausted to the atmosphere, capacity: 3,501,429 gallons of rum.
- (t) One (1) regauge tank area, known as EU-44, consisting of forty-seven (47) tanks, installed in 1960, exhausted to S-440, capacity: 445,858 gallons of ethanol, total.
- (u) One (1) mini tank farm, known as EU-45, to consist of nine (9) tanks, seven tanks installed in 1989, exhausted to S-435, capacity: 779,800 gallons of ethanol, total, two (2) gin storage tanks, installed in 1997, capacity: 113,800 gallons of gin, each.
- One (1) bottling tank room, known as EU-51, consisting of forty-five (45) tanks, forty-one (41) tanks, installed in 1969, four (4) tanks installed in 2003, exhausted to S-510, capacity: 412,000 452,000 gallons of ethanol, total. The installation of these tanks will allow the capacity of bottling tank room to increase from 16,000,000 proof gallons (PG).
- (w) Seven (7) bottling lines, known as EU-52, installed prior to 1950, and one new-(1) 50-ml bottling line exhausted to S-520, capacity: 7,264 cases per hour-452,000 gallons of ethanol, total. The installation of new tanks in the bottling tank room, known as EU-51 will allow the capacities of these bottling lines EU-52 to increase from 16,000,000 proof gallons (PG) to 18,500,000 proof gallons (PG).
- (x) One (1) cooler operation, known as EU-53, installed prior to 1988, exhausted to S-530, capacity: 2,187 cases per hour.
- (y) One (1) Warehouse C, known as EU-71, installed prior to 1950, exhausted to S-701, capacity: 69,306 barrels.
- (z) One (1) Warehouse E, known as EU-72, installed prior to 1950, exhausted to S-702, capacity: 101,032 barrels.
- (aa) One (1) Warehouse G, known as EU-73, installed prior to 1950, exhausted to S-703, capacity: 84,097 barrels.
- (bb) One (1) Warehouse J & M, known as EU-74, installed prior to 1950, exhausted to S-704, capacity: 100,000 barrels.
- (cc) One (1) Warehouse L, known as EU-75, installed prior to 1950, exhausted to S-705, capacity: 93,438 barrels.
- (dd) One (1) Warehouse N, known as EU-76, installed prior to 1950, exhausted to S-706, capacity: 93,405 barrels.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Pernod Ricard USA, Seagram Lawrenceburg Distillery Lawrenceburg, Indiana Permit Reviewer: Aida De Guzman Page 6 of 6 1st Minor Source Modification No.: 029-17711-00005 1st Minor Permit Modification 029-17382-00005

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.2.1 PSD [326 IAC 2-2] [40 CFR 52.21]

The applicable requirements for these facilities are listed in Sections B and C of this permit.

Compliance Requirements

Permits issued under 326 IAC 2-7are required to ensure that sources can demonstrate compliance with applicable state and federal rules on a more or less continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a more or less continuous demonstration. When this occurs IDEM, OAQ, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, compliance requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in Section D of the permit are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

Conclusion

The operation of these new beverage alcohol tanks shall be subject to the conditions of the attached **Minor Source Modification No.: 029-17711-00005 and Minor Permit Modification No.: 029-17382-00005**.